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A LIMITED LIABILITY LAW PARTNERSHIP

December 31, 2008

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PUBLIC UTILITIES
COMMISSION

The Honorable Chairman and Members of the
Hawaii Public Utilities Commission
465 South King Street
Kekuanaoa Building, Room 103
Honolulu, HI 96813
Attention: Stacey Kawasaki Djou, Esq.

Re: Docket No. 2008-0273 – In the Matter of Public Utilities Commission Instituting a Proceeding to Investigate the Implementation of Feed-In Tariffs:
Hawaii BioEnergy, LLC's ("HBE") Comments to the National Regulatory Research Institute's ("NRRI") Scoping Paper titled "Feed-in Tariffs: Best Design Focusing Hawaii's Investigation," dated December 2008 ("NRRI Scoping Paper")

Dear Commissioners and Commission Staff:

In accordance with the Hawaii Public Utilities Commission's ("Commission") directive, dated December 11, 2008, and following our initial review, below are HBE's preliminary comments to the NRRI Scoping Paper.

First, we note that the NRRI Scoping Paper specifically states, in relevant part, as follows:

The purpose of the [NRRI Scoping Paper] is to provide additional focus to the [Commission's] investigation into feed-in tariffs, create common language, and propose questions and issues that warrant consideration. Any recommendations are for the purpose of further discussion and do not necessarily represent the opinion of the Commission, NRRI, or any individual. (Emphasis added).

In light of the above caveat, HBE acknowledges that certain aspects of the NRRI Scoping Paper could be useful as a guide or "roadmap" for the Commission to follow and consider as part of this proceeding to ensure, among other things, that the feed-in tariff ultimately established by the Commission sufficiently promotes, and does not unduly detriment the development of renewable energy projects in the State of Hawaii. However, HBE contends that the issues, questions and/or recommendations raised or noted in said document should not be construed as all-inclusive for purposes of addressing the issues in this proceeding.

Second, because this investigatory proceeding has just begun, it would be premature for the Commission at this juncture to make any determinations on the substance of the NRRI Scoping Paper until the parties have had the opportunity to further review and analyze said document in conjunction with the many other information and documents yet to be submitted by the parties in this proceeding in accordance with the procedural order and schedule to be

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developed by the Commission. As such, HBE respectfully reserves its right to further elaborate on the substance of the NRRI Scoping Paper in its future submissions.

If you should have any questions, please do not hesitate to contact the undersigned.
Thank you for your consideration.

Very truly yours,



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c w/encl: Service List

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